

AEB6933: Experimental Economics

Spring 2023

Instructor: Jared Gars

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Lectures: Tuesday 10:40 AM - 11:30 AM, MCCA 3194
Thursday 10:40 AM - 12:35 PM, MCCB 3124

Office hours: By appointment

Location: MCCB 1123

Phone: 352-294-7692

Course description and objectives

This is a PhD-level field course on experimental economics, with an emphasis on field experiments. We will discuss how experimentation can be used to test economic theories and investigate social phenomena. The goal is to teach students how to critically consume the experimental and behavioral literature, as well as design, implement, and analyze their own experiments. The course will consist of lectures, discussions of research papers, as well as a final project that could become a dissertation chapter. We will read and discuss empirical papers drawn from a variety of fields: development economics, environmental economics, health economics, industrial organization, labor economics, consumer finance, and public economics. The background for the course is graduate-level microeconomic theory and econometrics. Keep in mind that this course does not cover lab experiments, either from the technical side or in the assigned readings.

Delivery

We will have two classes each week on **Tuesday 10:40-11:30 in MCCA 3194** and **Thursday 10:40-12:35 in MCCB 3124**. Since the class is discussion-based, attendance and active discussion are strongly encouraged. I may not be present for a couple of weeks during the semester due to field work. In that case, we will conduct the class over zoom (with links provided). The class will be set up on Canvas or through Teams and all emails and communication will be done through this medium. All class materials, including course outline and readings, will be posted on Canvas.

Texts

The required textbook for the course will be John's List's in-progress textbook on experimental economics for PhD students. In Canvas, I will share the corresponding chapter(s) for you to read before class. Because this is a work in progress, please do not share the textbook or slides from this class with anyone outside of class. Also, comments on the draft are very welcome. There will also be papers assigned for each week. Required readings will be posted each week in Canvas.

Useful references may include:

- *Handbook of Field Experiments* (free, [link](#)), edited by Abhijit Banerjee and Esther Duflo
- *Handbook of Experimental Economics Vol. I* ([link](#)), edited by John Kagel and Alvin Roth
- *Handbook of Experimental Economics Vol. II* ([link](#)), edited by John Kagel and Alvin Roth

- *Running Randomized Evaluations: A Practical Guide* ([link](#)), by Rachel Glennerster and Kudzai Takavarasha
- *Mostly Harmless Econometrics*, by Joshua Angrist and Ariel Pischke
- *Development Impact Blog* (free, [link](#))

General readings and overview articles in behavioral economics:

Bernheim, B. Douglas, Stefano DellaVigna, and David Laibson. *Handbook of Behavioral Economics-Foundations and Applications Volumes 1 and 2*. Elsevier, 2019.

DellaVigna, Stefano. 2009. "Psychology and Economics: Evidence from the Field." *Journal of Economic Literature*.

Thaler, R.H., 2016. "Behavioral economics: Past, Present, and Future." *American Economic Review*.

Rabin, Matthew. 2013. "Incorporating Limited Rationality into Economics." *Journal of Economic Literature*.

Formal requirements

Final grades will be determined according to the following weights (in parentheses):

(15%) Class participation: Class participation will consist of:

- Participation in class discussions
- Short presentations of readings: Students should prepare a short summary of the primary paper on the reading list (indicated). I will ask one student to introduce the paper each week. The introductions should include a (1) short summary (2) Why is the paper important (or why not) (3) An overview of the core contributions of the paper (4) What you liked – or did not like – about the paper (5) Any questions you have about the paper (optional). All students should prepare this when reading the primary discussion paper for the week.

(20%) Research ideas: Roughly every other week of class, students will write down a brief research idea (preferably inspired by the previous week's lectures but not necessary). There will be a total of FOUR ideas submitted throughout the semester. This should be 1-2 paragraphs that (i) describes the idea and why it is important and (ii) the ideal experiment to test the idea.

Everyone will get full credit as long as the idea is submitted on time. The idea is to get you to think through research ideas on a regular basis and discuss them.

(10%) Referee report: You will be asked to prepare a referee report for a paper that will be discussed in class. The report should be 2-3 pages in length and include a short summary of the paper, followed by critiques and suggestions for the authors. The report will be on a paper that I share on Canvas.

(35%) Research proposal or pre-analysis plan: The final project for the class is a research proposal or pre-analysis plan. You can think of this as a paper without the results (before you do any data collection). The research proposal/pre-analysis plan must include:

- Research question
- Motivation: Why should we care about your research question?

- Literature review: What do we already know from previous literature? How does your paper fit in the literature?
- Model (if applicable)
- Experimental design: How will you answer your research question? Make sure to justify your experimental design choices, e.g. (but not limited to):
 - Who will your subjects be? How will you recruit them? What is the sample size you will need?
 - Where will your experiment take place (lab, field, online)? Will you need any additional data sources?
 - What is the experimental design? How will you do the randomization? What are the treatments? Feel free to include instructions.
- Results:
 - What are the outcome variables in your paper? How will you construct them? What is the empirical strategy?
 - Do you expect to find any heterogeneous effects?

To help you develop your final project, you will receive feedback from me and your classmates. I will schedule 1:1 meetings with students midway through the semester to go over preliminary research ideas. Students will also make a final presentation to get feedback from the class in the final weeks of the semester.

Due dates and schedule

The due dates for assignments and distribution of points for the semester are given below. All assignments are due before the beginning of class on the date listed below unless you request an extension in advance. Please upload all assignments as pdfs on Canvas.

Research idea #1	Jan 24
Research idea #2	Feb 14
Research idea #3	Mar 7
Research idea #4	Apr 4
Discussion questions/presentations on readings	Assorted Dates
Referee report	Mar 28
Proposal Presentations	Apr 11-Apr 21
Proposal	May 5

Topics

The course will cover the following technical topics (depending on time and interest):

Part I: Nuts and bolts of experimental design

1. Overview of experimental economics
2. Randomization
3. Statistics in experimental design
4. Internal validity
5. External validity
6. Doing research

Part II: Frontier topics

7. Scaling
8. Interpretation of experiments: replication, publication bias
9. Beliefs and information experiments
10. Structural field experiments
11. Other topics, depending on interest

Within each topic, we will discuss papers from a variety of fields including development, environmental, public, labor, IO, and consumer finance. These topics are subject to change based on student interests and I am open to suggestions about topics. The idea is to give students background on the experimental research in their field. Reading list is available in Canvas.

Attendance and Make-Up Work: Requirements for class attendance and make-up exams, assignments and other work are consistent with university policies that can be found at: <https://catalog.ufl.edu/UGRD/academic-regulations/attendance-policies/> In general, you are expected to be in class each day and submit all work on time on e-Learning.

Students Requiring Accommodations

Students with disabilities who experience learning barriers and would like to request academic accommodations should connect with the [Disability Resource Center](#). It is important for students to share their accommodation letter with their instructor and discuss their access needs, as early as possible in the semester.

Course Evaluation

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Guidance on how to give feedback in a professional and respectful manner is available at <https://gatorevals.aa.ufl.edu/students/>. Students are notified when the evaluation period opens, and can complete evaluations through the email they receive from GatorEvals, in their Canvas course menu under GatorEvals, or via <https://ufl.bluera.com/ufl/>. Summaries of course evaluation results are available to students at <https://gatorevals.aa.ufl.edu/public-results/>.

In-Class Recording

Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled.

The only allowable purposes are: (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor.

A “class lecture” is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student

participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or lecturer during a class session.

Publication without permission of the instructor is prohibited. To “publish” means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student Honor Code and Student Conduct Code.

University Honesty Policy

UF students are bound by The Honor Pledge: “We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honor and integrity by abiding by the Honor Code. On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: “On my honor, I have neither given nor received unauthorized aid in doing this assignment.” The Conduct Code specifies a number of behaviors that are in violation of this code and the possible sanctions. [Click here to read the Conduct Code](#). If you have any questions or concerns, please consult with the instructor or TAs in this class.

Software Use

All faculty, staff, and students of the University are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against University policies and rules, disciplinary action will be taken as appropriate. We, the members of the University of Florida community, pledge to uphold ourselves and our peers to the highest standards of honesty and integrity.

Student Privacy

There are federal laws protecting your privacy with regards to grades earned in courses and on individual assignments. For more information, please see the [Notification to Students of FERPA Rights](#).

Campus Resources:

Health and Wellness

U Matter, We Care: If you or someone you know is in distress, please contact umatter@ufl.edu, 352-392-1575, or visit [U Matter, We Care website](#) to refer or report a concern and a team member will reach out to the student in distress.

Counseling and Wellness Center: [Visit the Counseling and Wellness Center website](#) or call 352-392-1575 for information on crisis services as well as non-crisis services.

Student Health Care Center: Call 352-392-1161 for 24/7 information to help you find the care you need, or [visit the Student Health Care Center website](#).

University Police Department: [Visit UF Police Department website](#) or call 352-392-1111 (or 9-1-1 for emergencies).

UF Health Shands Emergency Room / Trauma Center: For immediate medical care call 352-733-0111 or go to the emergency room at 1515 SW Archer Road, Gainesville, FL 32608; [Visit the UF Health Emergency Room and Trauma Center website](#).

Academic Resources

E-learning technical support: Contact the [UF Computing Help Desk](#) at 352-392-4357 or via e-mail at helpdesk@ufl.edu.

Career Connections Center: Reitz Union Suite 1300, 352-392-1601. Career assistance and counseling services.

Library Support: Various ways to receive assistance with respect to using the libraries or finding resources.

Teaching Center: Broward Hall, 352-392-2010 or to make an appointment 352- 392-6420. General study skills and tutoring.

Writing Studio: 2215 Turlington Hall, 352-846-1138. Help brainstorming, formatting, and writing papers.

Student Complaints On-Campus: [Visit the Student Honor Code and Student Conduct Code webpage for more information](#).

On-Line Students Complaints: [View the Distance Learning Student Complaint Process](#).